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PETRO-CANADA DENIES TWO EMPLOYEES HELPED CIA
CALGARY, ALBERTA

Petro-Canada formally denied Wednesday that two of its top employees gave the Central Intelligence Agency information about Canada's government-owned oil company.

In a prepared statement, PetroCan's president and chief operating officer, Edward Lakusta, said the charges made earlier this week by Member of Parliament Svend Robinson were "'without any foundation'" and that the company deplored "'the irresponsible manner in which they were made.'"

Robinson on Monday told the House of Commons' Justice Committee that Robert Foulkes, a former vice president of public affairs for Petro-Canada, and Fred Rayer, vice president of international operations, passed information about the crown corporation to the CIA.

Robinson, of the opposition New Democratic Party, apologized Wednesday for publicly naming the two men.

In his statement from Calgary, Lakusta said company officials had discussed the allegations with Rayer and Foulkes and had been assured that they had not "'in any way knowingly provided information to intelligence organizations or individuals acting on their behalf.'"

New Democratic Party leader Ed Broadbent said he regretted Robinson named the two men, but added his party still wanted Solicitor General Elmer MacKay to determine whether the CIA has carried out covert operations in Canada.

Foulkes and the U.S. Embassy in Ottawa also have denied the allegation. Justice Minister John Crosbie described the charges as "'nonsense.'" Rayer was out of the country and could not be reached for comment.

Robinson had said his allegations were confirmed by a confidential source, the same person who sent him a secret 1976 document indicating the CIA sought information about the Anti-Inflation Board, Beaufort Sea drilling and Saskatchewan's potash industry.

The U.S. Embassy has confirmed the authenticity of the document which was issued by then- CIA director George Bush, now vice president.

Robinson said he has written to both American congressional intelligence committees asking them to launch a full-scale inquiry.

MacKay said he has asked his officials to probe whether the CIA used improper intelligence-gathering techniques in Canada, but added that any information collected was probably garnered through public sources.